

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

ASSOCIATION OF AMERICAN
UNIVERSITIES, *et al.*,

Plaintiffs,

v.

NATIONAL SCIENCE FOUNDATION, *et al.*,

Defendants.

Case No. 1:25-cv-11231

**DEFENDANTS' NOTICE
IN RESPONSE TO THE COURT'S MAY 19, 2025 ORDER (DOC NO. 52)**

Defendants submit this notice in response to the Court's May 19, 2025 Order. Doc No. 52. In the Order, the Court stated that: "Defendants shall (1) provide written notice of the stay by May 21, 2025, to all institutions that have pending funding applications that may be affected by the Policy Notice, and (2) promptly notify the court once they have done so." Defendants submit this notice to inform the Court that NSF has complied with the Court's order.

As set forth in the May 21, 2025 declaration of Quadira Dantro, the National Science Foundation's ("NSF") Director of the Division of Information and Award Support, attached as Exhibit 1, on May 19, 2025, NSF posted a revised alert on [Research.gov](#), NSF's proposal preparation and submission portal used by all organizations for submitting proposals, management of post-award activities, and agency communications. Ex. 1 at ¶ 8. The revised alert, in a red banner at the top of the page with a red exclamation point, states: ****UPDATE: IMPLEMENTATION PAUSED**** . .

.” *Id.* A “See New Details” link in that banner takes the user to <https://www.nsf.gov/policies/document/indirect-cost-rate>, the page containing Policy Notice NSF 25-034. *Id.* NSF put a yellow banner at the top of the notice with a black exclamation point that states: “NSF is temporarily pausing implementation of the NSF Policy Notice: Implementation of Standard 15% Indirect Cost Rate, NSF 25-034, through June 13, when a hearing is scheduled to occur in the United States District Court for the District of Massachusetts. New NSF awards issued during this pause will not implement NSF 25-034, but will include a term applying NSF 25-034 for the entirety of the award upon a court decision permitting application of the policy.” *Id.*

In addition, NSF updated its Policy Office, <https://www.nsf.gov/bfa/dias/policy>, and Indirect Cost Rate Policies, <https://www.nsf.gov/funding/proposal-budget/indirect-costs>, web pages to communicate guidance on delayed implementation of the standard 15% Indirect Cost Rate limit policy for Institutes of Higher Education (IHEs). Ex. 1 at ¶ 9. NSF also issued a Staff Bulletin to internal staff announcing the pause of the implementation of NSF Policy Notice 25-034. *Id.*

On May 21, 2025, NSF sent a mass distribution email to the NSF external community, including: 1) all organizations with pending proposals received to date; 2) official email addresses of all organizations with an active award; 3) all organizations that submitted a proposal to the NSF within the past seven (7) years; 4) all Principal Investigators and co-Principal Investigators on active awards; and 5) all users with financial certifier permissions activated announcing the delay in implementation of the standard 15% Indirect Cost Rate limit for IHEs. Ex. 1 at ¶ 10. The email communication provided notice of the delayed implementation of NSF 25-034 and explained that new

NSF awards issued during this pause will not implement NSF 25-034, but will include a term applying NSF 25-034 for the entirety of the award if there is a court decision permitting application of the policy. *Id.*

Dated: May 21, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that this document filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF).

Dated: May 21, 2025

/s/ Marc S. Sacks
Marc S. Sacks